

# ANNUAL FINANCIAL STATEMENT

# 2023





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## Balance sheetsheet

# Balance sheet

as of 31 December 2023, GFT Technologies SE

**Assets**

in €	31/12/2023	31/12/2022
<b>A. Fixed assets</b>		
<b>I. Intangible assets</b>		
Purchased franchises, industrial and similar rights and assets, and licenses in such rights and assets	177,819,27	657,145,54
<b>II. Property, plant and equipment</b>		
Other equipment, furniture and fixtures	3,746,986,10	4,133,270,87
<b>III. Financial assets</b>		
1. Shares in affiliates	109,395,264,28	54,606,540,58
2. Loans to affiliates	27,240,661,74	44,152,932,26
3. Equity investments	778,379,02	778,379,02
	<b>137,414,305,04</b>	<b>99,537,851,86</b>
	<b>141,339,110,41</b>	<b>104,328,268,27</b>
<b>B. Current assets</b>		
<b>I. Work in process</b>	<b>6,456,587,03</b>	<b>7,680,638,39</b>
<b>II. Receivables and other assets</b>		
1. Trade receivables	9,841,785,50	7,840,628,28
2. Receivables from affiliates	7,898,943,23	25,363,632,21
3. Other assets	38,956,51	472,448,34
	<b>17,779,685,24</b>	<b>33,676,708,83</b>
<b>III. Cash on hand and bank balances</b>	<b>1,187,209,46</b>	<b>2,926,239,02</b>
	<b>25,423,481,73</b>	<b>44,283,586,24</b>
<b>C. Prepaid expenses</b>	<b>6,291,688,68</b>	<b>4,830,486,87</b>
	<b>173,054,280,82</b>	<b>153,442,341,38</b>

**Equity and liabilities**

in €	31/12/2023	31/12/2022
<b>A. Equity</b>		
<b>I. Share capital</b> (Conditional capital: 10,00 Mio. €)	<b>26,325,946,00</b>	<b>26,325,946,00</b>
<b>II. Capital reserve</b>	<b>2,745,042,36</b>	<b>2,745,042,36</b>
<b>III. Other retained earnings</b>	<b>22,149,591,97</b>	<b>22,149,591,97</b>
<b>IV. Distributable profit</b>	<b>40,355,412,48</b>	<b>34,344,858,52</b>
	<b>91,575,992,81</b>	<b>85,565,438,85</b>
<b>B. Provisions</b>		
1. Provisions for pensions	636,954,00	622,325,00
2. Tax provisions	5,511,119,15	3,072,609,50
3. Other provisions	11,956,947,51	12,615,364,71
	<b>18,105,020,66</b>	<b>16,310,299,21</b>
<b>C. Liabilities</b>		
1. Liabilities to banks	37,018,404,59	37,018,997,81
2. Prepayments received on account of orders	5,679,277,87	7,556,550,81
3. Trade payables	2,146,870,50	567,154,17
4. Liabilities to affiliates	14,828,643,64	3,703,910,17
5. Other liabilities	3,281,297,21	2,227,923,65
	<b>62,954,493,81</b>	<b>51,074,536,61</b>
<b>D. Deferred income</b>	<b>418,773,54</b>	<b>492,066,71</b>
	<b>173,054,280,82</b>	<b>153,442,341,38</b>

## Income statement

# Income statement

for the financial year 2023, GFT Technologies SE

in €	2023	2022
1. Revenue	97,769,995,03	89,449,555,50
2. Decrease of work in process	-1,224,051,36	-65,377,26
3. Other operating income	8,578,325,26	8,335,921,66
<b>4. Total performance</b>	<b>105,124,268,93</b>	<b>97,720,099,90</b>
5. Cost of purchased services	37,403,346,08	30,494,073,33
6. Personnel expenses		
a) Salaries and wages	31,481,680,19	30,359,811,19
b) Social security, pension and other benefit costs	4,531,651,90	4,219,299,01
7. Amortisation and depreciation of intangible assets and property, plant and equipment	1,088,142,64	1,434,241,78
8. Other operating expenses	34,834,274,16	32,088,137,64
<b>9. Result from operating activities</b>	<b>-4,214,826,04</b>	<b>-875,463,05</b>
10. Income from equity investments	24,849,568,43	19,071,742,54
11. Income from profit and loss transfer agreements	2,140,997,54	1,300,991,40
12. Income from loans classified as fixed financial assets	1,452,536,48	1,340,779,05
13. Other interest and similar income	320,699,42	104,090,75
14. Expenses from loss assumptions	1,365,642,47	414,344,73
15. Interest and similar expenses	2,547,819,29	989,783,92
<b>16. Financial result</b>	<b>24,850,340,11</b>	<b>20,413,475,09</b>

in €	2023	2022
<b>17. Earnings before taxes</b>	<b>20,635,514,07</b>	<b>19,538,012,04</b>
18. Income taxes	2,771,840,38	3,073,540,78
<b>19. Earnings after income taxes</b>	<b>17,863,673,69</b>	<b>16,464,471,26</b>
20. Other taxes	6,444,03	3,115,59
<b>21. Net income for the year</b>	<b>17,857,229,66</b>	<b>16,461,355,67</b>
22. Profit brought forward from previous year	22,498,182,82	17,883,502,85
<b>23. Distributable profit</b>	<b>40,355,412,48</b>	<b>34,344,858,52</b>



## Notes

for the financial year 2023, GFT Technologies SE, Stuttgart

### 1 Accounting policies and methods

#### 1.1 General information

The annual financial statements of GFT Technologies SE are prepared in euro (€) in accordance with the statutory regulations of the German Commercial Code ('Handelsgesetzbuch' – HGB), Council Regulation (EC) No 2157/2001 on the Statute of the European Company (SE) and the SE Implementation Act with the supplementary provisions of the German Stock Corporation Act (AktG). Unless stated otherwise, figures are stated in thousands of euros (€ thousand). Amounts are rounded using standard commercial methods.

GFT Technologies SE is a European company (Societas Europea, SE) with headquarters in Stuttgart, Germany. The company is registered in the Commercial Register of the District Court of Stuttgart under number HRB 753709 with its registered offices at Schellenwasenstrasse 34, 70567 Stuttgart.

As the parent company of the GFT Group, and pursuant to section 315e (1) HGB, GFT Technologies SE prepares consolidated financial statements on the basis of the International Financial Reporting Standards (IFRS) as they are to be applied in the European Union (EU). As a consequence, it does not prepare consolidated financial statements according to German commercial law. The financial year is the calendar year.

The income statement has been prepared using the nature of expense method.

Compared to the statutory system of presentation according to section 275 (2) HGB, the income statement additionally includes the items 'total performance', 'result from operating activities', 'income from profit and loss transfer agreements', 'expenses from loss assumption', 'financial result', 'earnings before taxes', 'profit brought forward from previous year', and 'distributable profit'.

In order to enhance the clarity of presentation, disclosures on the composition of line items and 'thereof' references are included in the notes.

#### 1.2 Accounting and valuation methods

The following accounting and valuation methods were essentially unchanged for the preparation of the annual financial statements.

Purchased intangible fixed assets are measured at acquisition cost less scheduled straight-line amortisation. The assets generally have a useful life of 3 or 5 years.

Property, plant and equipment are measured at acquisition cost less scheduled straight-line depreciation. A useful life of 3 to 25 years is assumed for scheduled straight-line depreciation.

Impairments are recognised if an asset needs to be measured at a lower value. If the reasons for impairment no longer exist, an impairment reversal is recognised.

In the case of financial assets, share rights are recognised at acquisition cost and loans at nominal value or, in the case of expected permanent impairments, at the lower fair value. Share rights are measured using a discounted cash flow approach. If the reasons for a

permanent impairment no longer exist, the impairment is reversed.

Work in process is recognised at manufacturing cost. In addition to directly attributable costs, manufacturing costs also include pro rata production overheads, including depreciation, as well as appropriate portions of general administration costs. Write-downs are made insofar as recognition at a lower value is necessary. Profits are recognised upon acceptance of the project.

Receivables and other assets are measured at their nominal values, taking into account all identifiable risks, and – if non-interest-bearing – discounted to their present value on the balance sheet date if their remaining term is more than one year. A general allowance (1.0%) is recognised to reflect general credit risks.

Prepaid expenses include expenses before the balance sheet date that constitute expenses for a specific period thereafter. Any difference between the settlement amount and the lower issue amount of liabilities ('discount') is capitalised and amortised over the term of the liabilities.

Deferred taxes due to temporary or quasi-permanent differences in the measurement of assets, liabilities, accruals and deferrals between financial reporting according to commercial law (HGB) and the tax basis, or due to tax loss carryforwards, are measured at the company-specific tax rates at the time the differences are eliminated and the amounts of the resulting tax burden and relief are not discounted. However, loss carryforwards are only included to the extent that they can be offset against taxable income within the statutory period of five years. Deferred tax assets and liabilities are netted. Any resulting tax liability is recognised as a deferred tax liability in the balance

## Notes

sheet. Any resulting tax asset is not recognised, in line with the recognition option.

Provisions for pensions are recognised at the settlement amount required according to reasonable business judgement. Measurement is based on the actuarial projected unit credit method. Using the option pursuant to section 253 (2) sentence 2 HGB, discounting is based on the average market interest rate of the last ten financial years as published by the German central bank ('Deutsche Bundesbank') on 31 December 2023 for an assumed remaining term of 15 years.

Other provisions are measured at the settlement amount required according to reasonable business judgement. Expected future price and cost increases up to the time of fulfilment of the obligation are taken into account. Provisions for employee commissions and bonuses are estimated on the basis of expected target achievement. The targets are individually composed of differently weighted economic and personal targets.

Tax provisions comprise the best estimate of expected tax payments, in particular in the event that amounts stated in the tax returns may not be recovered (uncertain tax positions). Tax refund claims are only recognised in the balance sheet if they are sufficiently certain.

Provisions with a remaining term of more than one year are generally discounted at the average market interest rate of the last seven financial years as published by the German central bank ('Deutsche Bundesbank') on 31 December 2023 in accordance with their remaining term.

Liabilities are measured at their settlement amounts.

Deferred income includes payments received before the balance sheet date that constitute income for a specific period thereafter.

Assets and liabilities denominated in foreign currencies are generally translated at the mean spot exchange rate on the balance sheet date. In the case of remaining terms of more than one year, the realisation principle (section 252 (1) no. 4, half-sentence 2 HGB) and the acquisition cost principle (section 253 (1) sentence 1 HGB) are applied.

Insofar as accounting units pursuant to section 254 HGB are formed, the following accounting and valuation principles are applied. Economic hedging relationships are reflected in the balance sheet by forming measurement units. In those cases in which it is possible to apply both the 'freezing method' (in which the offsetting changes in value from the hedged risk are not recognised in the balance sheet) and the 'gross hedge presentation method' (in which the offsetting changes in value from the hedged risk of both the underlying transaction and the hedging instrument are recognised in the balance sheet), the 'freezing method' is used. The offsetting positive and negative changes in value have no effect on the income statement.

Revenue recognition depends on the contractual agreements. For consulting projects that are structured as a contract for work and services, revenue is recognised on the basis of the completed contract method at the time of final acceptance of the project by the client. Consultancy projects that are structured as service contracts are recognised after the service has been rendered. Revenue from maintenance contracts is recognised pro rata over the contractual maintenance period.

## 2 Explanations on items of the balance sheet

### 2.1 Fixed assets

The development of the individual fixed asset items is presented in the following table with details of depreciation and amortisation for the financial year.

#### Property, plant and equipment

There was no extraordinary depreciation in the financial year 2023. In the previous year, there was extraordinary depreciation on servers within operating and office equipment of €193 thousand.

#### Financial assets

Financial assets increased in total by €37,876 thousand to €137,414 thousand in the financial year (31 December 2022: €99,538 thousand). The increase was mainly due to the rise in **shares in affiliated companies** of €54,788 thousand as a consequence of the acquisition of targens GmbH, Stuttgart (targens) (since 11 January 2024: GFT Deutschland GmbH, Stuttgart). At the same time, **loans to affiliated companies** declined by €16,912 thousand, due to the repayment of intercompany loans.

As in the previous year, there were no impairment losses and reversals of impairment losses of financial assets.

## Notes

in €	Acquisition or manufacturing costs			
	01/01/2023	Additions	Additions	31/12/2023
<b>I. Intangible assets</b>				
Purchased franchise, industrial and similar rights and assets, and licenses in such rights and assets	5,142,265,55	0,00	0,00	5,142,265,55
<b>II. Property, plant and equipment</b>				
Other equipment, furniture and fixtures	12,834,143,68	242,141,18	2,860,025,05	10,216,259,81
<b>III. Financial assets</b>				
1. Shares in affiliates	55,144,893,93	54,788,723,70	0,00	109,933,617,63
2. Loans to affiliates	44,152,932,26	0,00	16,912,270,52	27,240,661,74
3. Equity in investments	778,379,02	0,00	0,00	778,379,02
	<b>100,076,205,21</b>	<b>54,788,723,70</b>	<b>16,912,270,52</b>	<b>137,952,658,39</b>
<b>Total</b>	<b>118,052,614,44</b>	<b>55,030,864,88</b>	<b>19,772,295,57</b>	<b>153,311,183,75</b>

in €	Depreciation, amortisation and write-ups				Carrying amount	
	01/01/2023	Additions	Additions	31/12/2023	31/12/2023	31/12/2022
<b>I. Intangible assets</b>						
Purchased franchise, industrial and similar rights and assets, and licenses in such rights and assets	4,485,120,01	479,326,27	0,00	4,964,446,28	177,819,27	657,145,54
<b>II. Property, plant and equipment</b>						
Other equipment, furniture and fixtures	8,700,872,81	608,816,37	2,840,415,47	6,469,273,71	3,746,986,10	4,133,270,87
<b>III. Financial assets</b>						
1. Shares in affiliates	538,353,35	0,00	0,00	538,353,35	109,395,264,28	54,606,540,58
2. Loans to affiliates	0,00	0,00	0,00	0,00	27,240,661,74	44,152,932,26
3. Equity in investments	0,00	0,00	0,00	0,00	778,379,02	778,379,02
	<b>538,353,35</b>	<b>0,00</b>	<b>0,00</b>	<b>538,353,35</b>	<b>137,414,305,04</b>	<b>99,537,851,86</b>
<b>Total</b>	<b>13,724,346,17</b>	<b>1,088,142,64</b>	<b>2,840,415,47</b>	<b>11,972,073,34</b>	<b>141,339,110,41</b>	<b>104,328,268,27</b>

## Notes

**2.2 Disclosures on equity holdings acc. to section 285 no. 11 HGB**

As of 31 December 2023, GFT Technologies SE directly and indirectly holds shares of at least 5% in the companies presented below. For the fully consolidated subsidiaries, equity and earnings disclosures are based on the IFRS amounts of the local financial statements.

**Equity holdings acc. to section 285 no. 11 HGB**

in € thsd.	Share of the capital (in %)	Company equity	Net income
<b>I. Direct investments</b>			
<i>Domestic</i>			
GFT Deutschland GmbH, Stuttgart, Germany (formerly: targens GmbH, Stuttgart, Germany)	100	18,272	1,495
GFT Invest GmbH, Stuttgart, Germany <sup>1</sup>	100	25	0
GFT Integrated Systems GmbH, Constance, Germany <sup>1</sup>	100	378	-1,559
GFT Real Estate GmbH, Stuttgart, Germany <sup>1</sup>	100	441	-63
GFT Treasury Services GmbH, Stuttgart, Germany <sup>1</sup>	100	533	178
SW34 Gastro GmbH, Stuttgart, Germany <sup>1</sup>	100	533	0
incowia GmbH, Illmenau, Germany <sup>2</sup>	10	1,706	64
<i>Foreign</i>			
GFT France S.A.S., Niort, France	100	2,222	1,468
GFT Italia S.r.l., Milan, Italy	100	39,574	5,139
GFT Schweiz AG, Zurich, Switzerland	100	1,065	572
GFT Technologies Canada Inc., Quebec, Canada	100	-2,825	1,776
GFT Technologies Hong Kong Ltd., Hong Kong, China	100	-972	-2,024
GFT Technologies Romania S.r.l., Iași, Romania	100	-209	-68
GFT Technologies S.A.U., Madrid, Spain	100	38,276	23,273
GFT Technologies Singapore Pte. Ltd., Singapore, Singapore	100	-214	966
GFT UK Limited, London, UK	100	44,458	7,794

1 There is a profit and loss transfer agreement between the company (profit and loss transferring company) and GFT Technologies SE. The values disclosed for equity and net income are after profit transfer or loss assumption according commercial law.

2 Values according to local financial statements 2022.



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## Equity holdings acc. to section 285 no. 11 HGB

in € thsd.	Share of the capital (in %)	Company equity	Net income
<b>II. Indirect investments</b>			
<i>Foreign</i>			
GFT Brasil Consultoria Informática Ltda., Barueri, Brazil	100	24.448	16.545
GFT Canada Inc., Toronto, Canada	100	720	32
GFT Technologies Toronto Inc., Quebec, Canada	100	5.753	2.247
GFT Costa Rica S.A., Heredia, Costa Rica	100	2.747	1.317
GFT Financial Limited, London, UK	100	24.753	11.377
GFT IT Consulting, S.L.U., Sant Cugat del Vallès, Spain	100	24.701	11.381
GFT México S.A. de C.V., Mexico City, Mexico	100	5.078	-374
GFT Peru S.A.C., Lima, Peru	100	22	0
GFT Poland Sp. z o.o., Lodz, Poland	100	7.432	3.384
GFT Technologies Belgique S.A., Brussels, Belgium	100	259	-5
GFT Technologies Vietnam Limited, Ho Chi Minh City, Vietnam	100	-466	-5
GFT USA Inc., New York, USA	100	15.943	5.148
Med-Use S.r.l., Milan, Italy	100	865	192

With effect from 3 April 2023, GFT Technologies SE acquired all shares in targens for a purchase price of €54,478 thousand.

**2.3 Receivables and other assets**

Receivables from affiliated companies mainly relate to other receivables from loans of €3,500 thousand (31 December 2022: €3,700 thousand), from profit and loss transfer agreements of €2,141 thousand (31 December 2022: €1,301 thousand) and tax-sharing agreements of €1,034 thousand (31 December 2022: €150 thousand), as well as trade receivables of €1,094 thousand (31 December 2022: €4,024 thousand).

At the end of the previous year, receivables from affiliated companies included receivables of €16,052 thousand from Group clearing. As of 31 December 2023, there was a liability of €9,465 thousand from Group clearing. Within the Group clearing system, receivables and liabilities from deliveries and services between affiliated companies are settled via clearing accounts held with GFT Treasury Services GmbH for the purpose of Group-wide liquidity management.

Other assets include income tax receivables of €9 thousand (31 December 2022: €385 thousand).

As in the previous year, all receivables and other assets have remaining terms of up to one year.

**2.4 Deferred taxes**

Deferred taxes were calculated using the balance sheet-oriented concept on the basis of the combined income tax rate for the tax group of GFT Technologies SE, which is currently 29.13% (31 December 2022: 29.08%). The combined income tax rate includes corporate income tax, trade tax and the solidarity surcharge.

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Deferred tax assets (+) and liabilities (-) result mainly from the following temporary differences between commercial and tax balance sheet measurement:

in € thousand	31/12/2023	31/12/2022
Provisions (including provisions for pensions)	542	634
Other assets	202	225
Goodwill	1,687	1,828

As in the previous year, there were no tax loss carry-forwards as of 31 December 2023.

Deferred tax assets and liabilities were offset. The resulting net tax asset was not recognised, in line with the recognition option.

With regard to global minimum taxation, which was transformed into national law with effect from 1 January 2024, GFT Technologies SE in Germany is obliged to pay an additional tax on the profits of its subsidiaries that are taxed at an effective tax rate of less than 15%. Based on the data of the profits and tax expenses determined in the course of preparing the consolidated financial statements and taking into account the “safe harbour” regulations, no additional minimum tax would have to be paid for the financial year 2023. GFT continues to analyse the impact of the global minimum tax legislation on the Group's future profitability.

## 2.5 Equity

The change in equity during the financial year 2023 is summarised below:

### Change in equity

in €	Share capital	Capital reserve	Other retained earnings	Distributable profit
<b>As of 1 January 2023</b>	<b>26,325,946.00</b>	<b>2,745,042.36</b>	<b>22,149,591.97</b>	<b>34,344,858.52</b>
Dividend to shareholders	--	--	--	-11,846,675.70
Net income for the year	--	--	--	17,857,229.66
<b>As of 31 December 2023</b>	<b>26,325,946.00</b>	<b>2,745,042.36</b>	<b>22,149,591.97</b>	<b>40,355,412.48</b>

### Share capital

As of 31 December 2023, share capital of €26,325,946.00 consisted of 26,325,946 no-par value shares (unchanged from the previous year). The shares are bearer shares and all grant the same rights.

### Authorised capital

With a resolution adopted by the Annual General Meeting of 10 June 2021, the previous Authorised Capital was cancelled and a new Authorised Capital (Authorised Capital 2021) was resolved in order to secure the long-term financial scope. Essentially, this scope was expanded with regard to the use of the Authorised Capital within the framework of share participation or other share-based programmes for Managing Directors of GFT Technologies SE and members of the representative body of a company affiliated with GFT Technologies SE. In detail, the Administrative Board was authorised until 9 June 2026 to increase the share capital of GFT Technologies SE by up to a total of €10.00 million through a one-time-only or repeated partial issuance of bearer shares (no-par shares) against cash contributions and/or contributions in kind (Authorised Capital 2021). The new shares are to be offered to the shareholders for subscription (also by way of indirect subscription in accordance with section 186 (5) sentence 1 AktG). The Administrative Board was also authorised

to exclude the legal subscription right of shareholders under certain conditions and within defined limits.

Authorised capital has not been utilised so far. As of 31 December 2023, there was therefore unused authorised capital of €10.00 million (31 December 2022: €10.00 million).

### Conditional capital

With a resolution adopted by the Annual General Meeting of 1 June 2022, the Administrative Board of GFT Technologies SE was authorised until 31 May 2027 to issue on a one-time-only or repeated basis convertible and/or warrant bonds or a combination of these instruments (bonds) with a total nominal amount of up to €400.00 million with or without a limited term and to grant the creditors of these bonds conversion or warrant rights to new no-par value bearer shares of GFT Technologies SE with a proportionate amount of share capital of up to €10.00 million in accordance with the respective terms and conditions of the bonds. The bonds can only be issued for cash contributions. The respective conditions may also provide for a conversion or warrant obligation. The bonds may also be issued by domestic or foreign companies in which GFT Technologies SE directly or indirectly holds a majority of the votes and capital. Among other things, the Administrative Board was also authorised to exclude the legal subscription right of shareholders to

## Notes

the bonds under certain conditions and within defined limits.

To service the bonds issued under the above authorisation, the Annual General Meeting of 1 June 2022 also resolved to conditionally increase the share capital by up to €10.00 million (Conditional Capital 2022).

The authorisation to issue bonds has not yet been exercised.

#### Treasury shares

With a resolution adopted by the Annual General Meeting of 24 June 2020, GFT Technologies SE was authorised to purchase treasury shares in the period until 23 June 2025 up to a total of 10% of share capital as at the time of the Annual General Meeting resolution and to use them for all legally permissible purposes. Among other things, the shares may be used, with the exclusion of shareholder subscription rights, in connection with (partial) company acquisitions, or for share-based compensation and employee share ownership plans, or may be sold to third parties for cash at a price that is not significantly lower than the stock market price at the time of the sale.

The authorisation to purchase treasury shares was not exercised in the reporting period. As in the previous year, GFT Technologies SE held no treasury shares as of 31 December 2023.

#### Capital reserve

The capital reserve, which exceeds the legal minimum, amounts to €2,745,042.36 as of the balance sheet date (31 December 2022: €2,745,042.36).

#### Other retained earnings

Other retained earnings include in particular transfers from net income of previous years and amount to €22,149,591.97 (31 December 2022: €22,149,591.97).

#### Distributable profit

Distributable profit as of 31 December 2023 includes profit brought forward of €22,498,182.82 (31 December 2022: €17,883,502.85); otherwise, we refer to the proposal for the appropriation of profit in section 4.8.

#### 2.6 Provisions for pensions

The measurement of pension obligations using the projected unit credit method was based on the following assumptions:

	31/12/2023
Forecast interest rate (acc. to simplification rule section 253 (2) sentence 2 HGB)	1.83%
Expected wage and salary increases	n/a or 2.00%
Expected pension increases	2.00% or 1.00% or 0.00%
Expected fluctuation	approx. 10% or n/a
Mortality tables according to	Heubeck 2018 G

For disclosure in the balance sheet, the following offsets were made:

in € thousand	31/12/2023
Pension obligations at the settlement amount	887
Pledged time deposits as covering assets	-250
<b>Provisions for pensions</b>	<b>637</b>

The difference between recognition of provisions for pensions according to the average market interest rate of the past seven financial years (1.75%) and recognition of provisions according to the average market interest rate of the past ten financial years (1.83%) amounts to €9 thousand (31 December 2022: €38 thousand). The difference is not subject to the distribution ban according to section 253 (6)

sentence 2 HGB, as there are sufficient freely available reserves and a profit brought forward.

In the financial year 2023, interest expenses from the compounding of pension obligations of €16 thousand were recognised (2022: €16 thousand). Interest expenses are included in the income statement under interest and similar expenses.

There was no offsetting of expenses from the compounding of pension obligations and income from the plan assets to be offset, as no income of any note is generated from the plan assets.

## Notes

**2.7 Other provisions**

Other provisions of a not insignificant amount relate to:

in € thousand	31/12/2023
Employee commissions/bonuses	8.398
Outstanding incoming invoices	1.788
Holiday obligations	627
Annual accounts and tax declaration	381

Employee commissions/bonuses include obligations from share-based remuneration agreements of the Managing Directors amounting to €4,749 thousand (31 December 2022: €4,456 thousand). The Managing Directors were granted 26,521 virtual shares with a fair value of €788 thousand during the reporting period.

The fair value of the share-based remuneration instruments (virtual shares) as of the balance sheet date was determined using a recognised actuarial method as the market price of the underlying shares, taking into account dividends to which there is no entitlement during the vesting period and – where necessary – market and non-exercise conditions.

**2.8 Liabilities**

In addition to liabilities from Group clearing of €9,465 thousand (31 December 2022: receivable of €16,052 thousand), liabilities to affiliates mainly relate to trade payables of €3,361 thousand (31 December 2022: €3,289 thousand) and other liabilities from profit and loss transfer agreements of €1,366 thousand (31 December 2022: €414 thousand).

Trade payables are subject to customary retention of title.

The remaining terms of liabilities (including the previous year) are as follows:

**Remaining terms of liabilities as of 31 December 2023**

in € thousand	Total	Remaining term		
		< 1 year	1–5 years	< 1 year
Liabilities to banks	37,018	17,018	20,000	0
Prepayments received on account of orders	5,679	5,679	0	0
Trade payables	2,147	2,147	0	0
Liabilities to affiliates	14,829	14,829	0	0
Other liabilities	3,281	3,281	0	0

**Remaining terms of liabilities as of 31 December 2022**

in € thousand	Total	Remaining term		
		< 1 year	1–5 years	< 1 year
Liabilities to banks	37,019	19	37,000	0
Prepayments received on account of orders	7,557	7,557	0	0
Trade payables	568	568	0	0
Liabilities to affiliates	3,704	3,704	0	0
Other liabilities	2,228	2,228	0	0

Other liabilities include tax liabilities of €2,757 thousand (31 December 2022: €1,579 thousand) and social security liabilities of €0 thousand (31 December 2022: €10 thousand).

## Notes

### 3 Explanations on items of the income statement

#### 3.1 Revenue

Revenue is mainly generated in Germany and includes €31,457 thousand (2022: €30,899 thousand) in income from intercompany services.

The development of revenue by area of activity is shown in the following table (in € thousand):

Area of activity	2023	2022
Consulting and software development	53,522	46,417
Maintenance revenue	12,791	12,133
Group cost allocations	31,457	30,899
<b>Total</b>	<b>97,770</b>	<b>89,449</b>

#### 3.2 Other operating income

Other operating income includes €76 thousand (2022: €174 thousand) income from currency translation, of which €21 thousand (2022: €14 thousand) was unrealised.

Other operating income of €564 thousand (2022: €778 thousand) is attributable to other periods. This is mainly income from the reversal of provisions amounting to €512 thousand (2022: €733 thousand).

#### 3.3 Cost of purchased services

The cost of services purchased by GFT Technologies SE amounting to €37,403 thousand (2022: €30,494 thousand) relates to external services provided by freelancers and subcontractors in connection with the core operating business.

#### 3.4 Social security, pension and other benefit costs

Expenses for pensions amount to €73 thousand (2022: €43 thousand).

#### 3.5 Other operating expenses

Other operating expenses include an amount of €103 thousand (2022: €165 thousand) from currency translation, of which €5 thousand (2022: €-18 thousand) were unrealised.

#### 3.6 Income from equity investments

As in the previous year, income from equity investments relates in full to affiliated companies.

#### 3.7 Income from profit and loss transfer agreements

This item contains income from the transfer of profits from affiliated companies amounting to €2,141 thousand (2022: €1,301 thousand).

#### 3.8 Income from loans classified as fixed financial assets

Income from loans classified as fixed financial assets of €1,453 thousand (2022: €1,341 thousand) relates to affiliated companies.

#### 3.9 Other interest and similar income

An amount of €226 thousand (2022: €100 thousand) of other interest and similar income relates to affiliated companies.

This item includes income of €84 thousand (2022: €0 thousand) from the discounting of provisions.

#### 3.10 Expenses from loss assumptions

This item comprises expenses from the assumption of losses from affiliated companies amounting to €1,366 thousand (2022: €414 thousand).

#### 3.11 Interest and similar expenses

Affiliated companies account for €1,259 thousand (2022: €23 thousand) of interest and similar expenses. The year-on-year increase in interest expenses results mainly from the financing of the purchase price for targens by GFT Treasury Services GmbH.

This item includes expenses of €21 thousand (2022: €284 thousand) from the compounding of provisions.

#### 3.12 Income taxes

As the controlling company, GFT Technologies SE is the liable tax entity for the companies affiliated with it through profit and loss transfer agreements. The individual companies are disclosed by name in the list of shareholdings in section 2.2.

The income tax expense amounted in total to €2,772 thousand (2022: €3,073 thousand). The decrease of €302 thousand is mainly due to the refunding of income tax from previous years amounting to €215 thousand (2022: €7 thousand).

## 4 Other disclosures

#### 4.1 Other financial obligations

Insofar as they are not recognised in the balance sheet, obligations from fixed-term rental, leasing and licence agreements amount to €11,470 thousand (31 December 2022: €15,726 thousand). In addition, there are annual obligations from open-ended contracts amounting to €5,825 thousand (31 December 2022: €4,542 thousand). Further obligations due to affiliated companies from open-ended contracts total €818 thousand (31 December 2022: €840 thousand).

In total, other financial obligations amount to €18,113 thousand (31 December 2022: €21,108 thousand).

The remaining financial obligations, in particular the order commitment, are within the normal scope of business.

## Notes

**4.2 Contingent liabilities**

As of 31 December 2023, there are financial guarantees of up to €68,000 thousand (31 December 2022: €53,000 thousand) in favour of subsidiaries. Financial guarantees constitute contractual agreements; GFT Technologies SE, as the guarantor, generally guarantees that in the event of non-fulfilment of the payment obligation by the principal debtor, it will reimburse the guarantee holder for the loss incurred up to a contractually agreed amount.

In connection with the Group clearing system implemented in 2022, an unlimited financial guarantee was assumed in favour of GFT Treasury Services GmbH, which amounted to €18,549 thousand (31 December 2022: €16,896 thousand) as at the end of the reporting period. The aforementioned amount is offset by claims against other subsidiaries of €48,929 thousand as of 31 December 2023 (31 December 2022: €28,843 thousand).

Under an agreement dated 28 August 2023, GFT Technologies SE also undertook to finance GFT Technologies Singapore Pte. Ltd. to the extent necessary to maintain its business activities for further twelve months from the date of the agreement.

Contingent liabilities relate to potential future events whose occurrence would lead to an obligation. The existing contingent liabilities of GFT Technologies SE were reviewed with regard to the risk situation as of the balance sheet date, taking into account existing knowledge of the assets, financial and earnings position of the affiliated companies. GFT Technologies SE therefore estimates the risk of a possible claim for the obligations listed as unlikely.

**4.3 Executive bodies of the company****Administrative Board****Ulrich Dietz**

- Chairman of the Administrative Board
- External mandate:
  - Festo SE & Co. KG, Esslingen, Germany (Member of the Supervisory Board)

**Dr Paul Lerbinger**

- Deputy Chairman of the Administrative Board
- Former CEO of HSH Nordbank AG, Hamburg, Germany
- External mandate:
  - Minimax GmbH, Bad Oldesloe, Germany (Chairman of the Supervisory Board)

**Dr Annette Beller**

- Member of the Administrative Board
- CFO of B. Braun SE
- External mandates:
  - Landesbank Hessen-Thüringen Girozentrale, Frankfurt am Main, Germany (Member of the Administrative Board)
  - B. Braun Melsungen Aktiengesellschaft, Melsungen, Germany (Chairwoman of the Supervisory Board)

**Maria Dietz**

- Member of the Administrative Board
- Former Head of Purchasing for the GFT Group
- External mandates:
  - Drägerwerk AG & Co. KGaA, Lübeck, Germany (Member of the Supervisory Board)
  - Dräger Safety AG & Co. KGaA, Lübeck, Germany (Member of the Supervisory Board)
  - Drägerwerk Verwaltungs AG, Lübeck, Germany (Member of the Supervisory Board)
  - Ernst Klett Aktiengesellschaft, Stuttgart, Germany (Member of the Supervisory Board)

- LBBW Asset Management Investmentgesellschaft mbh, Stuttgart, Germany (Member of the Supervisory Board)

**Marika Lulay**

- Member of the Administrative Board
- Chairwoman of the Managing Directors, CEO
- Responsible for Strategy and Business Development, Markets, Communication, Marketing, Technology and Innovation
- External mandates:
  - Aareal Bank AG, Wiesbaden, Germany (Member of the Supervisory Board)
  - EnBW Energie Baden-Württemberg AG, Karlsruhe, Germany (Member of the Supervisory Board)

**Dr Jochen Ruetz**

- Member of the Administrative Board
- Managing Director, CFO
- Responsible for Finance, Internal Audit, Investor Relations, IT Infrastructures, Human Resources, Legal Affairs and Mergers & Acquisitions
- External mandates:
  - G. Elsinghorst Handelsgesellschaft mbH, Germany (Member of the Supervisory Board), until 23 January 2023
  - Progress-Werk Oberkirch AG, Oberkirch, Germany (Member of the Supervisory Board)

**Prof Dr Andreas Wiedemann**

- Member of the Administrative Board
- Lawyer and partner of the law firm Hennerkes, Kirchgörfel & Lorz, Stuttgart, Germany
- External mandates:
  - Büchi Erbenholding AG, Flawil, Switzerland (President of the Administrative Board), until 30 March 2023
  - Büchi Holding AG, Flawil, Switzerland (President of the Administrative Board), until 30 March 2023
  - Georg Nordmann Holding AG, Hamburg, Germany (Chairman of the Supervisory Board)



## Notes

- Jowat SE, Detmold, Germany (Chairman of the Supervisory Board)
- Mack & Schühle AG, Owen/Teck, Germany (Chairman of the Supervisory Board)

**Managing Directors****Marika Lulay**

- Chairwoman of the Managing Directors, CEO
- Member of the Administrative Board
- Responsible for Strategy and Business Development, Markets, Communication, Marketing, Technology and Innovation
- External mandates:
  - Aareal Bank AG, Wiesbaden, Germany (Member of the Supervisory Board)
  - EnBW Energie Baden-Württemberg AG, Karlsruhe, Germany (Member of the Supervisory Board)

**Dr Jochen Ruetz**

- Managing Director, CFO
- Member of the Administrative Board
- Responsible for Finance, Internal Audit, Investor Relations, IT Infrastructures, Human Resources, Legal Affairs and Mergers & Acquisitions
- External mandates:
  - G. Elsinghorst Handelsgesellschaft mbH, Germany (Member of the Supervisory Board), until 23 January 2023
  - Progress-Werk Oberkirch AG, Oberkirch, Germany (Member of the Supervisory Board)

**Jens-Thorsten Rauer**

- Managing Director
- Responsible for the operating business of the GFT Group in the region Central & Western Europe
- Internal mandates:
  - GFT Schweiz AG (President of the Administrative Board)
  - GFT Italia S.r.l., Milan, Italy (President of the Administrative Board)
  - GFT Technologies S.A.U., Madrid, Spain (Member of the Management Board)
  - GFT IT Consulting S.L.U., Sant Cugat del Vallès, Spain (Member of the Management Board)
  - GFT Integrated Systems GmbH, Konstanz, Germany (Managing Director), since 28 November 2023
  - GFT Deutschland GmbH, Stuttgart, Germany (Managing Director), since 11 April 2023

Total compensation for the Managing Directors for the financial year 2023 amounted to €4,733 thousand (2022: €5,056 thousand). The long-term bonus component is included in total remuneration at the conversion amount.

Total compensation for the Administrative Board without the remuneration of the Managing Directors amounted to €445 thousand in the financial year 2023 (2022: €451 thousand).

**4.4 Employees**

The average number of employees in the financial year 2023 was 348 (2022: 331).

**Employees by headcount**

Area of activity	2023	2022
Salaried staff	325	309
Senior executives	23	22
	<b>348</b>	<b>331</b>

**4.5 Auditing fees**

In accordance with section 285 no. 17 HGB, auditing fees for the reporting period are not disclosed as they are included in the disclosures of the consolidated financial statements of GFT Technologies SE.

**4.6 Disclosures acc. to section 160 (1) no. 8 AktG**

Pursuant to section 33 (1) of the German Securities Trading Act (WpHG), any shareholder who reaches, exceeds or falls below the thresholds of 3, 5, 10, 15, 20, 25, 30, 50 or 75% of the voting rights of a listed company must notify the company and the Federal Financial Supervisory Authority (BaFin) without delay, but no later than within four trading days. Pursuant to section 33 (2) WpHG, any person who holds 3% or more of the voting rights in the company at the time the shares are first admitted to trading on an organised market must make a corresponding notification.

GFT Technologies SE received notification of the following shareholdings in accordance with section 33 (1) and (2) WpHG. In the case of multiple reaching, exceeding or falling below the thresholds specified in section 33 (1) WpHG by a person subject to reporting requirements, only the most recent notification is

## Notes

listed. The corresponding percentage and share figures are taken from the last voting rights notifications to GFT Technologies SE pursuant to section 33 WpHG in 2023 and may therefore no longer be up-to-date.

Notifier	Publication date	Date of change	Reporting threshold	Voting rights	
				absolute	in %
The Capital Group Companies Inc., Los Angeles, USA <sup>1</sup>	25 October 2023	20 October 2023	5% exceeded	1,318,418	5.01%
Ministry of Finance on behalf of the State of Norway, Oslo, Norway	26 December 2023	22 December 2023	3% exceeded	792,441	3.01%

1 Indirectly held via SMALLCAP World Fund, Inc., Lutherville Timonium, Maryland, USA

In addition, the following voting rights are held in GFT Technologies SE.

Notifier	Publication date	Date of change	Reporting threshold	Voting rights	
				absolute	in %
Dr Markus Kerber, Germany	24 June 2015 <sup>1</sup>	22 June 2015	5% exceeded	4,999,998 <sup>2</sup>	
Ulrich Dietz, Germany	3 April 2002 <sup>3</sup>	1 April 2002	3% on admission to trading		29.94%
Maria Dietz, Germany	3 April 2002	1 April 2002	3% on admission to trading <sup>1</sup>		9.67%

1 Notification pursuant to section 22 (1) WpHG (since 3 January 2018: section 33 (1) WpHG)

2 Thereof 0.00618% indirectly held pursuant to section 22 (1) sentence 1 no. 6 WpHG (since 3 January 2018: section 34 (1) sentence 1 no. 6 WpHG).

3 Notification pursuant to section 41 (2) sentence 1 WpHG (since 3 January 2018: section 33 (2) WpHG)

#### 4.7 Issuance of Declaration of Compliance with the German Corporate Governance Code pursuant to section 161 AktG

In accordance with section 161 of the German Stock Corporation Act (AktG), the Administrative Board of GFT Technologies SE has issued its Declaration of Compliance and made it permanently accessible on the corporate website at [www.gft.de/governance](http://www.gft.de/governance).

#### 4.8 Appropriation of profit

The financial year 2023 was closed with a distributable profit of €40,355 thousand. The Administrative Board will propose the following resolution at the Annual General Meeting for the financial year 2023:

#### Proposal for the appropriation of profit

in €	2023
Dividend per share	0.50
No-par value shares entitled to dividend (number)	26,325,946
Total dividend payout	13,162,973
Profit carried forward to the next year	27,192,439.48
Distributable profit	40,355,412.48

#### 4.9 Group relations

As the parent company of the GFT Group, GFT Technologies SE prepares consolidated financial statements in accordance with Section 315e HGB for the largest and smallest group of companies. The consolidated financial statements are published in the Company Register and are available at the company's headquarters or on the company's website at [www.gft.com](http://www.gft.com).

#### 4.10 Subsequent events

In order to facilitate the intra-Group funding of the acquisition of Sophos Solutions S.A.S, Bogotá, Colombia, by GFT Technologies S.A.U., Madrid, Spain, GFT Technologies SE secured financing totalling €80.00 million on 23 January 2024, of which €40.00 million was short-term, thus increasing the balance sheet total by around 32%.

Stuttgart, 19 March 2024

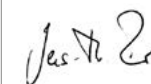
GFT Technologies SE  
The Managing Directors



**Marika Lulay**  
Chief Executive Officer



**Dr. Jochen Ruetz**  
Chief Financial Officer



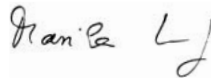
**Jens-Thorsten Rauer**  
Group Chief Executive –  
Central & Western Europe

## Responsibility statement

To the best of our knowledge, and in accordance with applicable reporting principles, the financial statements give a true and fair view of the financial position, cash flows and profit or loss of GFT Technologies SE, and the management report, which has been combined with the Group management report, includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of GFT Technologies SE.

Stuttgart, 19 March 2024

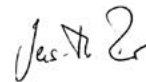
GFT Technologies SE  
The Managing Directors



**Marika Lulay**  
Chief Executive Officer



**Dr. Jochen Ruetz**  
Chief Financial Officer



**Jens-Thorsten Rauer**  
Group Chief Executive –  
Central & Western Europe

## Independent auditor's report

To GFT Technologies SE, Stuttgart/Germany

### Report on the Audit of the Annual Financial Statements and of the Combined Management Report

#### Audit Opinions

We have audited the annual financial statements of GFT Technologies SE, Stuttgart/Germany, which comprise the balance sheet as at 31 December 2023, and the statement of profit and loss for the financial year from 1 January to at 31 December 2023, and the notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the combined management report for the parent and the group of GFT Technologies SE, Stuttgart/Germany, for the financial year from 1 January to 31 December 2023. In accordance with the German legal requirements, we have not audited the content of the combined corporate governance statement included in section 9 of the combined management report and the Group's non-financial report to which reference is made in section 2.7 of the combined management report. In addition, we have not audited the content of the table marked "unaudited" in section 3.2 "Development of Business" in the combined management report and of the last paragraph marked "unaudited" in the subsection "Internal Control and Risk Management Organization" of the risk report in the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance for the financial year from 1 January to at 31 December 2023 in compliance with German Legally Required Accounting Principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our audit opinion on the combined management report does not cover the content of the combined corporate governance statement and of the Group's non-financial report to which reference is made in the combined management report. Neither does our audit opinion on the combined management report cover the content of the table in section 3.2 "Development of Business" and the last paragraph in the subsection "Internal Control and Risk Management Organization" of the risk report.

Pursuant to Section 322 (3) sentence 1 German Commercial Code (HGB), we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

#### Basis for the Audit Opinions

We conducted our audit of the annual financial statements and of the combined management report in

accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the combined management report.

#### Key Audit Matters in the Audit of the Annual Financial Statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole and in forming our audit opinion thereon; we do not provide a separate audit opinion on these matters.

In the following we present the key audit matter we have determined in the course of our audit, which is the recoverability of shares in affiliated companies and loans to affiliated companies.

## Independent auditor's report

Our presentation of this key audit matter has been structured as follows:

- a) description (including reference to corresponding information in the annual financial statements)
- b) auditor's response

#### Recoverability of shares in affiliated companies and of loans to affiliated companies

a) Shares in affiliated companies of mEUR 109.4 and loans to affiliated companies of mEUR 27.2 are recognized in the annual financial statements of GFT Technologies SE as of 31 December 2023 under long-term financial assets. These balance sheet line items account for 79% of the balance sheet total and have a major impact on the Company's assets and liabilities, and its financial performance in the event of necessary loss allowances.

Shares in affiliated companies are recorded at acquisition costs or the lower market value when they are expected to be permanently impaired. Loans to affiliated companies are recorded at their nominal value or the lower market value when their fair value is expected to be permanently impaired.

Loans to affiliated companies are included in an assessment of the recoverability of shares in affiliated companies. To assess recoverability, the managing directors determine the market value, using a discounted cash flow method. The cash flows used in the calculation are based on company-specific planning for 2024 that has been approved by the administrative board and is rolled forward to the next five years, using presumed long-term growth rates. The relevant capitalization rate is derived from yields on alternative investments based on an adequate level of risk exposure.

The outcome of a valuation depends heavily on an assessment of future cash flows derived from

planning approved by the administrative board, and on the company-specific discount and growth rates used. Valuations are hence surrounded by uncertainty. This is the context in which we have classified the recoverability of the shares and loans to affiliated companies as a key audit matter because of their materiality.

Information provided by the managing directors about the accounting for, and valuation of, the shares and loans to affiliated companies has been included in the sections "Accounting and valuation methods" and "Fixed assets" in the Notes.

b) During our audit, we obtained an in-depth understanding of the process of testing shares in affiliated companies for impairment, and evaluated the extent to which an assessment could be influenced by subjectivity, complexity, or other inherent risk factors. In addition, we evaluated the design and establishment of selected internal controls over cash flow planning relevant to the audit.

We reperformed the impairment test performed by the managing directors, in which we involved our internal valuation specialists, and assessed whether the valuation procedure applied was methodologically and arithmetically appropriate. In relation to planning data included in the valuation, we performed reconciliations on corporate plans for 2024 that the managing directors of GFT Technologies SE had created, and the administrative board had approved. Regarding available estimates, we performed a critical assessment of the related assumptions and data. We also assured ourselves that high-quality forecasts were provided to date, by comparing previous financial years' planning to the results actually realized, and analyzing deviations. We evaluated the adequacy of future income used in the valuation by reconciling selected planning assumptions with general and

industry-specific market expectations, taking into account expected changes in inflation.

In addition, we examined whether planning was consistent with information about strategy and medium-term planning, and the reporting on outlook in the combined management report.

We also evaluated the determination of the cost of capital used. For this purpose, we concerned ourselves with the parameters used in determining the cost of capital, and reconciled them to market expectations, in which we involved internal valuation specialists who we consulted.

#### Other Information

The managing directors and/or the administrative board are responsible for the other information. The other information comprises

- the Group's non-financial report pursuant to Section 315b HGB, to which reference is made in section 2.7 of the combined management report,
- the combined corporate governance statement pursuant to Sections 289f and 315d HGB included in section 9 of the combined management report,
- the table included in section 3.2 "Development of Business" of the combined management report and marked "unaudited",
- the last paragraph marked "unaudited" in the subsection "Internal Control and Risk Management Organization" of the risk report in the combined management report, and
- the executive directors' confirmation regarding the annual financial statements and the combined management report pursuant to Section 264 (2) sentence 3 and/or Section 289 (1) sentence 5 HGB.

## Independent auditor's report

The administrative board is responsible for the statement according to Section 161 AktG concerning the German Corporate Governance Code, which is part of the corporate governance statement. The managing directors and the administrative board are responsible for the combined corporate governance statement. Otherwise the managing directors are responsible for the other information.

Our audit opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an audit opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information identified above and, in doing so, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the audited content of the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

**Responsibilities of the Managing Directors and the Administrative Board for the Annual Financial Statements and the Combined Management Report**

The managing directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the managing directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to

enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the managing directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the managing directors are responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the managing directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The administrative board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

**Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide



## Independent auditor's report

a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- evaluate the appropriateness of accounting policies used by the managing directors and the reasonableness of estimates made by the managing directors and related disclosures.
- conclude on the appropriateness of the managing directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- evaluate the consistency of the combined management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- perform audit procedures on the prospective information presented by the managing directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the managing directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence,

and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements for the current period and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes public disclosure about the matter.

## Other Legal and Regulatory Requirements

### Report on the Audit of the Electronic Reproductions of the Annual Financial Statements and of the Combined Management Report Prepared for Publication Pursuant to Section 317 (3a) HGB Audit Opinion

We have performed an audit in accordance with Section 317 (3a) HGB to obtain reasonable assurance whether the electronic reproductions of the annual financial statements and of the combined management report (hereinafter referred to as "ESEF documents") prepared for publication, contained in the file, SHA256: 2354c5c84caeb2ee82ae61b06cd96c-61c322b0e4f6212334f9001add77154e90 meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB ("ESEF format"). In accordance with the German legal requirements, this audit only covers the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format, and therefore covers neither the information contained in these electronic reproductions nor any other information contained in the file identified above.

## Independent auditor's report

In our opinion, the electronic reproductions of the annual financial statements and of the combined management report prepared for publication contained in the file identified above meet, in all material respects, the requirements for the electronic reporting format pursuant to Section 328 (1) HGB. Beyond this audit opinion and our audit opinions on the accompanying annual financial statements and on the accompanying combined management report for the financial year from 1 January to 31 December 2023 contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these electronic reproductions or on any other information contained in the file identified above.

### Basis for the Audit Opinion

We conducted our audit of the electronic reproductions of the annual financial statements and of the combined management report contained in the file identified above in accordance with Section 317 (3a) HGB and on the basis of the IDW Auditing Standard: Audit of the Electronic Reproductions of Financial Statements and Management Reports Prepared for Publication Pursuant to Section 317 (3a) HGB (IDW AuS 410 (06.2022)). Our responsibilities in this context are further described in the "Auditor's Responsibilities for the Audit of the ESEF Documents" section. Our audit firm has applied the IDW Standards on Quality Management.

### Responsibilities of the Managing Directors and the Administrative Board for the ESEF Documents

The managing directors of the Company are responsible for the preparation of the ESEF documents based on the electronic files of the annual financial statements and of the combined management report according to Section 328 (1) sentence 4 no. 1 HGB.

In addition, the managing directors of the Company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements for the electronic reporting format pursuant to Section 328 (1) HGB.

The administrative board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

### Auditor's Responsibilities for the Audit of the ESEF Documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the audit. We also

- identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinion.
- obtain an understanding of internal control relevant to the audit on the ESEF documents in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- evaluate the technical validity of the ESEF documents, i.e. whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the balance sheet date, on the technical specification for this electronic file.

- evaluate whether the ESEF documents enable a XHTML reproduction with content equivalent to the audited annual financial statements and to the audited combined management report.

### Further information pursuant to Article 10 of the EU Audit Regulation

We were elected as auditor by the general meeting on 22 June 2023. We were engaged by the administrative board on 31 August 2023. We have been the auditor of GFT Technologies SE, Stuttgart/Germany, without interruption since the financial year 2022.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

## Other Matter – Use of the Auditor's Report

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as with the audited ESEF documents. The annual financial statements and the combined management report converted into the ESEF format – including the versions to be submitted to the Company Register – are merely electronic reproductions of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our audit opinion contained therein is to be used solely together with the audited ESEF documents made available in electronic form.

## German Public Auditor Responsible for the Engagement

The German Public Auditor responsible for the engagement is Marco Koch.

Stuttgart/Germany, 19 March 2024

### **Deloitte GmbH**

Wirtschaftsprüfungsgesellschaft

Signed: Marco Koch

Wirtschaftsprüfer

(German Public Auditor)

Signed: Anja Lustig

Wirtschaftsprüferin

(German Public Auditor)

## Contact

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